

AN ACT concerning aging.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Mobile Home Local Services Tax Act is amended by changing Section 7 as follows:

(35 ILCS 515/7) (from Ch. 120, par. 1207)

Sec. 7. The local services tax for owners of mobile homes who (a) are actually residing in such mobile homes, (b) hold title to such mobile home as provided in the "Illinois Vehicle Code", ~~approved September 29, 1969, as amended,~~ and (c) are 65 years of age or older or are disabled persons within the meaning of Section 3.14 of the "Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act" on the annual billing date shall be reduced to 80 percent of the tax provided for in Section 3 of this Act. Proof that a claimant has been issued an Illinois Disabled Person Identification Card stating that the claimant is under a Class 2 disability, as provided in Section 4A of the ~~The~~ Illinois Identification Card Act, shall constitute proof that the person thereon named is a disabled person within the meaning of this Act. An application for reduction of the tax shall be filed with the county clerk by the individuals who are entitled to the reduction. If the application is filed after May 1, the

reduction in tax shall begin with the next annual bill. Application for the reduction in tax shall be done by submitting proof that the applicant has been issued an Illinois Disabled Person Identification Card designating the applicant's disability as a Class 2 disability, or by affidavit in substantially the following form:

APPLICATION FOR REDUCTION OF MOBILE HOME LOCAL SERVICES TAX

I hereby make application for a reduction to 80% of the total tax imposed under "An Act to provide for a local services tax on mobile homes".

(1) Senior Citizens

(a) I actually reside in the mobile home ....

(b) I hold title to the mobile home as provided in the Illinois Vehicle Code ....

(c) I reached the age of 65 on or before either January 1 (or July 1) of the year in which this statement is filed. My date of birth is: ...

(2) Disabled Persons

(a) I actually reside in the mobile home...

(b) I hold title to the mobile home as provided in the Illinois Vehicle Code ....

(c) I was totally disabled on ... and have remained disabled until the date of this application. My Social Security, Veterans, Railroad or Civil Service Total Disability Claim Number is ... The undersigned declares under the penalty of perjury that the above statements are true and correct.

Public Act 096-0804

HB0366 Enrolled

LRB096 04022 DRJ 14060 b

Dated (insert date).

.....

Signature of owner

.....

(Address)

.....

(City) (State) (Zip)

Approved by:

.....

(Assessor)

This application shall be accompanied by a copy of the applicant's most recent application filed with the Illinois Department on Aging ~~of Revenue~~ under the "Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act," ~~approved July 17, 1972, as amended.~~

(Source: P.A. 91-357, eff. 7-29-99.)

Section 10. The Citizens Utility Board Act is amended by changing Section 9 as follows:

(220 ILCS 10/9) (from Ch. 111 2/3, par. 909)

Sec. 9. Mailing procedure.

(1) As used in this Section:

(a) "Enclosure" means a card, leaflet, envelope or combination thereof furnished by the corporation under

this Section.

(b) "Mailing" means any communication by a State agency, other than a mailing made ~~by the Department of Revenue~~ under the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act, that is sent through the United States Postal Service to more than 50,000 persons within a 12-month period.

(c) "State agency" means any officer, department, board, commission, institution or entity of the executive or legislative branches of State government.

(2) To accomplish its powers and duties under Section 5 this Act, the corporation, subject to the following limitations, may prepare and furnish to any State agency an enclosure to be included with a mailing by that agency.

(a) A State agency furnished with an enclosure shall include the enclosure within the mailing designated by the corporation.

(b) An enclosure furnished by the corporation under this Section shall be provided to the State agency a reasonable period of time in advance of the mailing.

(c) An enclosure furnished by the corporation under this Section shall be limited to informing the reader of the purpose, nature and activities of the corporation as set forth in this Act and informing the reader that it may become a member in the corporation, maintain membership in the corporation and contribute money to the corporation

directly.

(d) Prior to furnishing an enclosure to the State agency, the corporation shall seek and obtain approval of the content of the enclosure from the Illinois Commerce Commission. The Commission shall approve the enclosure if it determines that the enclosure (i) is not false or misleading and (ii) satisfies the requirements of this Act. The Commission shall be deemed to have approved the enclosure unless it disapproves the enclosure within 14 days from the date of receipt.

(3) The corporation shall reimburse each State agency for all reasonable incremental costs incurred by the State agency in complying with this Section above the agency's normal mailing and handling costs, provided that:

(a) The State agency shall first furnish the corporation with an itemized accounting of such additional cost; and

(b) The corporation shall not be required to reimburse the State agency for postage costs if the weight of the corporation's enclosure does not exceed .35 ounce avoirdupois. If the corporation's enclosure exceeds that weight, then it shall only be required to reimburse the State agency for postage cost over and above what the agency's postage cost would have been had the enclosure weighed only .35 ounce avoirdupois.

(Source: P.A. 87-205.)

Section 15. The Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act is amended by changing Sections 1, 2, 3.01, 3.04, 3.05, 3.06, 3.07, 3.08, 3.09, 3.10, 3.12, 4, 5, 7, 8, 8a, 9, 12, and 13 and by adding Sections 1.5, 3.01a, 3.03a, 3.05a, and 4.05 as follows:

(320 ILCS 25/1) (from Ch. 67 1/2, par. 401)

Sec. 1. Short title; common name. This Article shall be known and may be cited as the "Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act". Common references to the "Circuit Breaker Act" mean this Article. As used in this Article, "this Act" means this Article.

(Source: P.A. 83-1531.)

(320 ILCS 25/1.5 new)

Sec. 1.5. Implementation of Executive Order No. 3 of 2004. Executive Order No. 3 of 2004, in part, provided for the transfer of the programs under this Act from the Department of Revenue to the Department on Aging and the Department of Healthcare and Family Services. It is the purpose of this amendatory Act of the 96th General Assembly to conform this Act and certain related provisions of other statutes to that Executive Order. This amendatory Act of the 96th General

Assembly also makes other substantive changes to this Act.

(320 ILCS 25/2) (from Ch. 67 1/2, par. 402)

Sec. 2. Purpose. The purpose of this Act is to provide incentives to the senior citizens and disabled persons of this State to acquire and retain private housing of their choice and at the same time to relieve those citizens from the burdens of extraordinary property taxes and rising drug costs against their increasingly restricted earning power, and thereby to reduce the requirements for public housing in this State.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.01) (from Ch. 67 1/2, par. 403.01)

Sec. 3.01. Claimant. "Claimant" means an individual who has filed a claim for a property tax relief grant under this Act. In appropriate contexts, "claimant" may also include a person who has applied for pharmaceutical assistance under this Act or for other benefits that are based on eligibility for benefits under this Act.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.01a new)

Sec. 3.01a. Claim year. "Claim year" means the calendar year prior to the period of time during which a claimant may file an application for benefits under this Act.

(320 ILCS 25/3.03a new)

Sec. 3.03a. Federal Poverty Level. "Federal Poverty Level" means the federal poverty income guidelines as determined annually by the United States Department of Health and Human Services and updated periodically in the Federal Register by that Department under the authority of 42 U.S.C. 9902(2).

(320 ILCS 25/3.04) (from Ch. 67 1/2, par. 403.04)

Sec. 3.04. Gross rent. "Gross rent ~~Rent~~" means the total amount paid solely for the right to occupy a residence.

If the residence is a nursing or sheltered care home, "gross rent" means the amount paid in a taxable year that is attributable to the cost of housing, but not of meals or care, for the claimant in that home, determined in accordance with regulations of the Department on Aging.

(Source: P.A. 78-1249; 78-1297.)

(320 ILCS 25/3.05) (from Ch. 67 1/2, par. 403.05)

Sec. 3.05. Household. "Household" means a claimant or a claimant and his or her spouse, if any, living together in the same residence. An additional resident may be counted in determining household size.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.05a new)

Sec. 3.05a. Additional resident. "Additional resident"



means a person who (i) is living in the same residence with a claimant for the claim year and at the time of filing the claim, (ii) is not the spouse of the claimant, (iii) does not file a separate claim under this Act for the same period, and (iv) receives more than half of his or her total financial support for that claim year from the household. An additional resident who meets qualifications may receive pharmaceutical assistance based on a claimant's application.

(320 ILCS 25/3.06) (from Ch. 67 1/2, par. 403.06)

Sec. 3.06. Household income. "Household income" means the combined income of the members of a household. The term does not include the income of any qualified additional resident who lives with the claimant.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.07) (from Ch. 67 1/2, par. 403.07)

Sec. 3.07. Income. "Income" means adjusted gross income, properly reportable for federal income tax purposes under the provisions of the Internal Revenue Code, modified by adding thereto the sum of the following amounts to the extent deducted or excluded from gross income in the computation of adjusted gross income:

(A) An amount equal to all amounts paid or accrued as interest or dividends during the taxable year;

(B) An amount equal to the amount of tax imposed by the

Illinois Income Tax Act paid for the taxable year;

(C) An amount equal to all amounts received during the taxable year as an annuity under an annuity, endowment or life insurance contract or under any other contract or agreement;

(D) An amount equal to the amount of benefits paid under the Federal Social Security Act during the taxable year;

(E) An amount equal to the amount of benefits paid under the Railroad Retirement Act during the taxable year;

(F) An amount equal to the total amount of cash public assistance payments received from any governmental agency during the taxable year other than benefits received pursuant to this Act;

(G) An amount equal to any net operating loss carryover deduction or capital loss carryover deduction during the taxable year; and

(H) An ~~For claim years beginning on or after January 1, 2002,~~ an amount equal to any benefits received under the Workers' Compensation Act or the Workers' Occupational Diseases Act during the taxable year.

"Income" does not include ~~any grant assistance received under the Nursing Home Grant Assistance Act or~~ any distributions or items of income described under subparagraph (X) of paragraph (2) of subsection (a) of Section 203 of the Illinois Income Tax Act or any payments under Section 2201 or

Section 2202 of the American Recovery and Reinvestment Act of 2009.

~~This amendatory Act of 1987 shall be effective for purposes of this Section for tax years ending on or after December 31, 1987.~~

(Source: P.A. 91-676, eff. 12-23-99; 92-131, eff. 7-23-01; 92-519, eff. 1-1-02.)

(320 ILCS 25/3.08) (from Ch. 67 1/2, par. 403.08)

Sec. 3.08. Internal Revenue Code. "Internal Revenue Code" means the United States Internal Revenue Code of 1986 ~~1954~~ or any successor law or laws relating to federal income taxes in effect for the year.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.09) (from Ch. 67 1/2, par. 403.09)

Sec. 3.09. Property taxes accrued. "Property taxes accrued" means the ad valorem property taxes extended against a residence, but does not include special assessments, interest or charges for service. In the case of real estate improved with a multidwelling or multipurpose building, "property taxes accrued" extended against a residence within such a building is an amount equal to the same percentage of the total property taxes extended against that real estate as improved as the value of the residence is to the total value of the building. If the multidwelling building is owned and operated as a

cooperative, the value of an individual residence is the value of the interest in the cooperative held by the owner of record of the legal or equitable interest, other than a leasehold interest, in the cooperative which confers the right to occupy that residence. In determining the amount of grant under Section 4 ~~for 1976 and thereafter~~, the applicable "property taxes accrued", as determined under this Section, are those payable or paid in the last preceding taxable year.

In addition, if the residence is a mobile home as defined in and subject to the tax imposed by the Mobile Home Local Services Tax Act, "property taxes accrued" includes the amount of privilege tax paid during the calendar year for which benefits are claimed under that Act on that mobile home. If ~~Beginning in taxable year 1999, if~~ (i) the residence is a mobile home, (ii) the resident is the record owner of the property upon which the mobile home is located, and (iii) the resident is liable for the taxes imposed under the Property Tax Code for both the mobile home and the property, then "property taxes accrued" includes the amount of property taxes paid on both the mobile home and the property upon which the mobile home is located.

(Source: P.A. 91-357, eff. 7-29-99; 91-391, eff. 7-30-99.)

(320 ILCS 25/3.10) (from Ch. 67 1/2, par. 403.10)

Sec. 3.10. Regulations. "Regulations" includes both rules promulgated and forms prescribed by the applicable Department.

In this Act, references to the rules of the Department on Aging or the Department of Healthcare and Family Services shall be deemed to include, in appropriate cases, the corresponding rules adopted by the Department of Revenue, to the extent that those rules continue in force under Executive Order No. 3 of 2004.

(Source: P.A. 77-2059.)

(320 ILCS 25/3.12) (from Ch. 67 1/2, par. 403.12)

Sec. 3.12. Residence. "Residence" means the principal dwelling place occupied in this State by a household and so much of the surrounding land as is reasonably necessary for use of the dwelling as a home, and includes rental property, mobile homes, single family dwellings, and units in multifamily, multidwelling or multipurpose buildings. If the assessor has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed "residence" for the purposes of this Act. "Residence" also includes that portion of a nursing or sheltered care home occupied as a dwelling by a claimant, determined as prescribed in regulations of the Department on Aging.

(Source: P.A. 78-1249.)

(320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

Sec. 4. Amount of Grant.

(a) In general. Any individual 65 years or older or any individual who will become 65 years old during the calendar year in which a claim is filed, and any surviving spouse of such a claimant, who at the time of death received or was entitled to receive a grant pursuant to this Section, which surviving spouse will become 65 years of age within the 24 months immediately following the death of such claimant and which surviving spouse but for his or her age is otherwise qualified to receive a grant pursuant to this Section, and any disabled person whose annual household income is less than the income eligibility limitation, as defined in subsection (a-5) and whose household is liable for payment of property taxes accrued or has paid rent constituting property taxes accrued and is domiciled in this State at the time he or she files his or her claim is entitled to claim a grant under this Act. With respect to claims filed by individuals who will become 65 years old during the calendar year in which a claim is filed, the amount of any grant to which that household is entitled shall be an amount equal to 1/12 of the amount to which the claimant would otherwise be entitled as provided in this Section, multiplied by the number of months in which the claimant was 65 in the calendar year in which the claim is filed.

(a-5) Income eligibility limitation. For purposes of this Section, "income eligibility limitation" means an amount for grant years 2008 and thereafter:

~~(i) for grant years before the 1998 grant year, less~~

~~than \$14,000;~~

~~(ii) for the 1998 and 1999 grant year, less than \$16,000;~~

~~(iii) for grant years 2000 through 2007:~~

~~(A) less than \$21,218 for a household containing one person;~~

~~(B) less than \$28,480 for a household containing 2 persons; or~~

~~(C) less than \$35,740 for a household containing 3 or more persons; or~~

~~(iv) for grant years 2008 and thereafter:~~

(1) ~~(A)~~ less than \$22,218 for a household containing one person;

(2) ~~(B)~~ less than \$29,480 for a household containing 2 persons; or

(3) ~~(C)~~ less than \$36,740 for a household containing 3 or more persons.

For 2009 claim year applications submitted during calendar year 2010, a household must have annual household income of less than \$27,610 for a household containing one person; less than \$36,635 for a household containing 2 persons; or less than \$45,657 for a household containing 3 or more persons.

The Department on Aging may adopt rules such that on January 1, 2011, and thereafter, the foregoing household income eligibility limits may be changed to reflect the annual cost of living adjustment in Social Security and Supplemental Security

Income benefits that are applicable to the year for which those benefits are being reported as income on an application.

If a person files as a surviving spouse, then only his or her income shall be counted in determining his or her household income.

(b) Limitation. Except as otherwise provided in subsections (a) and (f) of this Section, the maximum amount of grant which a claimant is entitled to claim is the amount by which the property taxes accrued which were paid or payable during the last preceding tax year or rent constituting property taxes accrued upon the claimant's residence for the last preceding taxable year exceeds 3 1/2% of the claimant's household income for that year but in no event is the grant to exceed (i) \$700 less 4.5% of household income for that year for those with a household income of \$14,000 or less or (ii) \$70 if household income for that year is more than \$14,000.

(c) Public aid recipients. If household income in one or more months during a year includes cash assistance in excess of \$55 per month from the Department of Healthcare and Family Services or the Department of Human Services (acting as successor to the Department of Public Aid under the Department of Human Services Act) which was determined under regulations of that Department on a measure of need that included an allowance for actual rent or property taxes paid by the recipient of that assistance, the amount of grant to which that household is entitled, except as otherwise provided in



subsection (a), shall be the product of (1) the maximum amount computed as specified in subsection (b) of this Section and (2) the ratio of the number of months in which household income did not include such cash assistance over \$55 to the number twelve. If household income did not include such cash assistance over \$55 for any months during the year, the amount of the grant to which the household is entitled shall be the maximum amount computed as specified in subsection (b) of this Section. For purposes of this paragraph (c), "cash assistance" does not include any amount received under the federal Supplemental Security Income (SSI) program.

(d) Joint ownership. If title to the residence is held jointly by the claimant with a person who is not a member of his or her household, the amount of property taxes accrued used in computing the amount of grant to which he or she is entitled shall be the same percentage of property taxes accrued as is the percentage of ownership held by the claimant in the residence.

(e) More than one residence. If a claimant has occupied more than one residence in the taxable year, he or she may claim only one residence for any part of a month. In the case of property taxes accrued, he or she shall prorate 1/12 of the total property taxes accrued on his or her residence to each month that he or she owned and occupied that residence; and, in the case of rent constituting property taxes accrued, shall prorate each month's rent payments to the residence actually

occupied during that month.

(f) (Blank). ~~There is hereby established a program of pharmaceutical assistance to the aged and disabled which shall be administered by the Department in accordance with this Act, to consist of payments to authorized pharmacies, on behalf of beneficiaries of the program, for the reasonable costs of covered prescription drugs. Each beneficiary who pays \$5 for an identification card shall pay no additional prescription costs. Each beneficiary who pays \$25 for an identification card shall pay \$3 per prescription. In addition, after a beneficiary receives \$2,000 in benefits during a State fiscal year, that beneficiary shall also be charged 20% of the cost of each prescription for which payments are made by the program during the remainder of the fiscal year. To become a beneficiary under this program a person must: (1) be (i) 65 years of age or older, or (ii) the surviving spouse of such a claimant, who at the time of death received or was entitled to receive benefits pursuant to this subsection, which surviving spouse will become 65 years of age within the 24 months immediately following the death of such claimant and which surviving spouse but for his or her age is otherwise qualified to receive benefits pursuant to this subsection, or (iii) disabled, and (2) be domiciled in this State at the time he or she files his or her claim, and (3) have a maximum household income of less than the income eligibility limitation, as defined in subsection (a-5). In addition, each eligible person must (1) obtain an~~

~~identification card from the Department, (2) at the time the card is obtained, sign a statement assigning to the State of Illinois benefits which may be otherwise claimed under any private insurance plans, and (3) present the identification card to the dispensing pharmacist.~~

~~The Department may adopt rules specifying participation requirements for the pharmaceutical assistance program, including copayment amounts, identification card fees, expenditure limits, and the benefit threshold after which a 20% charge is imposed on the cost of each prescription, to be in effect on and after July 1, 2004. Notwithstanding any other provision of this paragraph, however, the Department may not increase the identification card fee above the amount in effect on May 1, 2003 without the express consent of the General Assembly. To the extent practicable, those requirements shall be commensurate with the requirements provided in rules adopted by the Department of Healthcare and Family Services to implement the pharmacy assistance program under Section 5-5.12a of the Illinois Public Aid Code.~~

~~Whenever a generic equivalent for a covered prescription drug is available, the Department shall reimburse only for the reasonable costs of the generic equivalent, less the co-pay established in this Section, unless (i) the covered prescription drug contains one or more ingredients defined as a narrow therapeutic index drug at 21 CFR 320.33, (ii) the prescriber indicates on the face of the prescription "brand~~

~~medically necessary", and (iii) the prescriber specifies that a substitution is not permitted. When issuing an oral prescription for covered prescription medication described in item (i) of this paragraph, the prescriber shall stipulate "brand medically necessary" and that a substitution is not permitted. If the covered prescription drug and its authorizing prescription do not meet the criteria listed above, the beneficiary may purchase the non generic equivalent of the covered prescription drug by paying the difference between the generic cost and the non generic cost plus the beneficiary co-pay.~~

~~Any person otherwise eligible for pharmaceutical assistance under this Act whose covered drugs are covered by any public program for assistance in purchasing any covered prescription drugs shall be ineligible for assistance under this Act to the extent such costs are covered by such other plan.~~

~~The fee to be charged by the Department for the identification card shall be equal to \$5 per coverage year for persons below the official poverty line as defined by the United States Department of Health and Human Services and \$25 per coverage year for all other persons.~~

~~In the event that 2 or more persons are eligible for any benefit under this Act, and are members of the same household, (1) each such person shall be entitled to participate in the pharmaceutical assistance program, provided that he or she~~

~~meets all other requirements imposed by this subsection and (2) each participating household member contributes the fee required for that person by the preceding paragraph for the purpose of obtaining an identification card.~~

~~The provisions of this subsection (f), other than this paragraph, are inoperative after December 31, 2005. Beneficiaries who received benefits under the program established by this subsection (f) are not entitled, at the termination of the program, to any refund of the identification card fee paid under this subsection.~~

(g) Effective January 1, 2006, there is hereby established a program of pharmaceutical assistance to the aged and disabled, entitled the Illinois Seniors and Disabled Drug Coverage Program, which shall be administered by the Department of Healthcare and Family Services and the Department on Aging in accordance with this subsection, to consist of coverage of specified prescription drugs on behalf of beneficiaries of the program as set forth in this subsection. ~~The program under this subsection replaces and supersedes the program established under subsection (f), which shall end at midnight on December 31, 2005.~~

To become a beneficiary under the program established under this subsection, a person must:

- (1) be (i) 65 years of age or older or (ii) disabled;
- and
- (2) be domiciled in this State; and

(3) enroll with a qualified Medicare Part D Prescription Drug Plan if eligible and apply for all available subsidies under Medicare Part D; and

(4) for the 2006 and 2007 claim years, have a maximum household income of (i) less than \$21,218 for a household containing one person, (ii) less than \$28,480 for a household containing 2 persons, or (iii) less than \$35,740 for a household containing 3 or more persons; and ~~. If any income eligibility limit set forth in items (i) through (iii) is less than 200% of the Federal Poverty Level for any year, the income eligibility limit for that year for households of that size shall be income equal to or less than 200% of the Federal Poverty Level.~~

(5) for the 2008 claim year, have a maximum household income of (i) less than \$22,218 for a household containing one person, (ii) \$29,480 for a household containing 2 persons, or (iii) \$36,740 for a household containing 3 or more persons; and

(6) for 2009 claim year applications submitted during calendar year 2010, have annual household income of less than (i) \$27,610 for a household containing one person; (ii) less than \$36,635 for a household containing 2 persons; or (iii) less than \$45,657 for a household containing 3 or more persons.

The Department of Healthcare and Family Services may adopt rules such that on January 1, 2011, and thereafter, the

foregoing household income eligibility limits may be changed to reflect the annual cost of living adjustment in Social Security and Supplemental Security Income benefits that are applicable to the year for which those benefits are being reported as income on an application.

All individuals enrolled as of December 31, 2005, in the pharmaceutical assistance program operated pursuant to subsection (f) of this Section and all individuals enrolled as of December 31, 2005, in the SeniorCare Medicaid waiver program operated pursuant to Section 5-5.12a of the Illinois Public Aid Code shall be automatically enrolled in the program established by this subsection for the first year of operation without the need for further application, except that they must apply for Medicare Part D and the Low Income Subsidy under Medicare Part D. A person enrolled in the pharmaceutical assistance program operated pursuant to subsection (f) of this Section as of December 31, 2005, shall not lose eligibility in future years due only to the fact that they have not reached the age of 65.

To the extent permitted by federal law, the Department may act as an authorized representative of a beneficiary in order to enroll the beneficiary in a Medicare Part D Prescription Drug Plan if the beneficiary has failed to choose a plan and, where possible, to enroll beneficiaries in the low-income subsidy program under Medicare Part D or assist them in enrolling in that program.

Beneficiaries under the program established under this

subsection shall be divided into the following ~~4~~ 5 eligibility groups:

(A) Eligibility Group 1 shall consist of beneficiaries who are not eligible for Medicare Part D coverage and who are:

(i) disabled and under age 65; or

(ii) age 65 or older, with incomes over 200% of the Federal Poverty Level; or

(iii) age 65 or older, with incomes at or below 200% of the Federal Poverty Level and not eligible for federally funded means-tested benefits due to immigration status.

(B) Eligibility Group 2 shall consist of beneficiaries ~~otherwise described in Eligibility Group 1 but~~ who are eligible for Medicare Part D coverage.

(C) Eligibility Group 3 shall consist of beneficiaries age 65 or older, with incomes at or below 200% of the Federal Poverty Level, who are not barred from receiving federally funded means-tested benefits due to immigration status and are not eligible for Medicare Part D coverage.

~~(D) Eligibility Group 4 shall consist of beneficiaries age 65 or older, with incomes at or below 200% of the Federal Poverty Level, who are not barred from receiving federally funded means tested benefits due to immigration status and are not eligible for Medicare Part D coverage.~~

If the State applies and receives federal approval for



a waiver under Title XIX of the Social Security Act, persons in Eligibility Group 3 ~~4~~ shall continue to receive benefits through the approved waiver, and Eligibility Group 3 ~~4~~ may be expanded to include disabled persons under age 65 with incomes under 200% of the Federal Poverty Level who are not eligible for Medicare and who are not barred from receiving federally funded means-tested benefits due to immigration status.

~~(D)~~ ~~(E)~~ ~~On and after January 1, 2007,~~ Eligibility Group 4 ~~5~~ shall consist of beneficiaries who are otherwise described in Eligibility Group 2 ~~Groups 2 and 3~~ who have a diagnosis of HIV or AIDS.

The program established under this subsection shall cover the cost of covered prescription drugs in excess of the beneficiary cost-sharing amounts set forth in this paragraph that are not covered by Medicare. In 2006, beneficiaries shall pay a co-payment of \$2 for each prescription of a generic drug and \$5 for each prescription of a brand-name drug. In future years, beneficiaries shall pay co-payments equal to the co-payments required under Medicare Part D for "other low-income subsidy eligible individuals" pursuant to 42 CFR 423.782(b). For individuals in Eligibility Groups 1, 2, and 3, ~~and 4~~, once the program established under this subsection and Medicare combined have paid \$1,750 in a year for covered prescription drugs, the beneficiary shall pay 20% of the cost of each prescription in addition to the co-payments set forth

in this paragraph. For individuals in Eligibility Group 4 5, once the program established under this subsection and Medicare combined have paid \$1,750 in a year for covered prescription drugs, the beneficiary shall pay 20% of the cost of each prescription in addition to the co-payments set forth in this paragraph unless the drug is included in the formulary of the Illinois AIDS Drug Assistance Program operated by the Illinois Department of Public Health and covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled. If the drug is included in the formulary of the Illinois AIDS Drug Assistance Program and covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled, individuals in Eligibility Group 4 5 shall continue to pay the co-payments set forth in this paragraph after the program established under this subsection and Medicare combined have paid \$1,750 in a year for covered prescription drugs.

For beneficiaries eligible for Medicare Part D coverage, the program established under this subsection shall pay 100% of the premiums charged by a qualified Medicare Part D Prescription Drug Plan for Medicare Part D basic prescription drug coverage, not including any late enrollment penalties. Qualified Medicare Part D Prescription Drug Plans may be limited by the Department of Healthcare and Family Services to those plans that sign a coordination agreement with the Department.

Notwithstanding Section 3.15, for purposes of the program

established under this subsection, the term "covered prescription drug" has the following meanings:

For Eligibility Group 1, "covered prescription drug" means: (1) any cardiovascular agent or drug; (2) any insulin or other prescription drug used in the treatment of diabetes, including syringe and needles used to administer the insulin; (3) any prescription drug used in the treatment of arthritis; (4) any prescription drug used in the treatment of cancer; (5) any prescription drug used in the treatment of Alzheimer's disease; (6) any prescription drug used in the treatment of Parkinson's disease; (7) any prescription drug used in the treatment of glaucoma; (8) any prescription drug used in the treatment of lung disease and smoking-related illnesses; (9) any prescription drug used in the treatment of osteoporosis; and (10) any prescription drug used in the treatment of multiple sclerosis. The Department may add additional therapeutic classes by rule. The Department may adopt a preferred drug list within any of the classes of drugs described in items (1) through (10) of this paragraph. The specific drugs or therapeutic classes of covered prescription drugs shall be indicated by rule.

For Eligibility Group 2, "covered prescription drug" means those drugs ~~covered for Eligibility Group 1 that are~~ ~~also~~ covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled.

~~For Eligibility Group 3, "covered prescription drug" means those drugs covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled.~~

For Eligibility Group 3 ~~4~~, "covered prescription drug" means those drugs covered by the Medical Assistance Program under Article V of the Illinois Public Aid Code.

For Eligibility Group 4 ~~5~~, ~~for individuals otherwise described in Eligibility Group 2, "covered prescription drug" means: (1) those drugs covered for Eligibility Group 2 that are also covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled; and (2) those drugs included in the formulary of the Illinois AIDS Drug Assistance Program operated by the Illinois Department of Public Health that are also covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled. For Eligibility Group 5, for individuals otherwise described in Eligibility Group 3, "covered prescription drug" means those drugs covered by the Medicare Part D Prescription Drug Plan in which the beneficiary is enrolled.~~

An individual in Eligibility Group 1, 2, 3, or ~~4, or 5~~ may opt to receive a \$25 monthly payment in lieu of the direct coverage described in this subsection.

Any person otherwise eligible for pharmaceutical assistance under this subsection whose covered drugs are

covered by any public program is ineligible for assistance under this subsection to the extent that the cost of those drugs is covered by the other program.

The Department of Healthcare and Family Services shall establish by rule the methods by which it will provide for the coverage called for in this subsection. Those methods may include direct reimbursement to pharmacies or the payment of a capitated amount to Medicare Part D Prescription Drug Plans.

For a pharmacy to be reimbursed under the program established under this subsection, it must comply with rules adopted by the Department of Healthcare and Family Services regarding coordination of benefits with Medicare Part D Prescription Drug Plans. A pharmacy may not charge a Medicare-enrolled beneficiary of the program established under this subsection more for a covered prescription drug than the appropriate Medicare cost-sharing less any payment from or on behalf of the Department of Healthcare and Family Services.

The Department of Healthcare and Family Services or the Department on Aging, as appropriate, may adopt rules regarding applications, counting of income, proof of Medicare status, mandatory generic policies, and pharmacy reimbursement rates and any other rules necessary for the cost-efficient operation of the program established under this subsection.

(h) A qualified individual is not entitled to duplicate benefits in a coverage period as a result of the changes made by this amendatory Act of the 96th General Assembly.

(Source: P.A. 94-86, eff. 1-1-06; 94-909, eff. 6-23-06; 95-208, eff. 8-16-07; 95-644, eff. 10-12-07; 95-876, eff. 8-21-08.)

(320 ILCS 25/4.05 new)

Sec. 4.05. Application.

(a) The Department on Aging shall establish the content, required eligibility and identification information, use of social security numbers, and manner of applying for benefits in a simplified format under this Act, including claims filed for new or renewed prescription drug benefits.

(b) An application may be filed on paper or over the Internet to enable persons to apply separately or for both a property tax relief grant and pharmaceutical assistance on the same application. An application may also enable persons to apply for other State or federal programs that provide medical or pharmaceutical assistance or other benefits, as determined by the Department on Aging in conjunction with the Department of Healthcare and Family Services.

(c) Applications must be filed during the time period prescribed by the Department.

(320 ILCS 25/5) (from Ch. 67 1/2, par. 405)

Sec. 5. Procedure.

(a) In general. Claims must be filed after January 1, on forms prescribed by the Department. No claim may be filed more than one year after December 31 of the year for which the claim

~~is filed except that claims for 1976 may be filed until December 31, 1978. The pharmaceutical assistance identification card provided for in subsection (f) of Section 4 shall be valid for a period determined by the Department of Healthcare and Family Services not to exceed one year. On and after January 1, 2002, however, to enable the Department to convert coverage for a pharmaceutical assistance program participant to a State fiscal year basis, a card shall be valid for a longer or shorter period than 12 months, depending on the date a timely claim is filed and as determined by the Department. All applicants for benefits under this program approved for benefits on or after July 1 but on or before December 31 of any State fiscal year are eligible for benefits through June 30 of that State fiscal year. All applicants for benefits under this program approved for benefits on or after January 1 but on or before June 30 of any State fiscal year are eligible for benefits through June 30 of the following State fiscal year.~~

(b) Claim is Personal. The right to file a claim under this Act shall be personal to the claimant and shall not survive his death, but such right may be exercised on behalf of a claimant by his legal guardian or attorney-in-fact. If a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to his surviving spouse or, if no spouse survives, to his surviving dependent minor children in equal parts, provided the spouse or child, as the case may be, resided with the

claimant at the time he filed his claim. If at the time of disbursement neither the claimant nor his spouse is surviving, and no dependent minor children of the claimant are surviving the amount of the claim shall escheat to the State.

(c) One claim per household. Only one member of a household may file a claim under this Act in any calendar year; where both members of a household are otherwise entitled to claim a grant under this Act, they must agree as to which of them will file a claim for that year.

(d) (Blank). ~~Content of application form. The form prescribed by the Department for purposes of paragraph (a) shall include a table, appropriately keyed to the parts of the form on which the claimant is required to furnish information, which will enable the claimant to determine readily the approximate amount of grant to which he is entitled by relating levels of household income to property taxes accrued or rent constituting property taxes accrued.~~

(e) Pharmaceutical Assistance Procedures. ~~The Department shall establish the form and manner for application, and establish by January 1, 1986 a procedure to enable persons to apply for the additional grant or for the pharmaceutical assistance identification card on the same application form.~~ The Department of Healthcare and Family Services shall determine eligibility for pharmaceutical assistance using the applicant's current income. The Department shall determine a person's current income in the manner provided by the



Department by rule.

(Source: P.A. 91-533, eff. 8-13-99; 91-699, eff. 1-1-01; 92-131, eff. 7-23-01; 92-519, eff. 1-1-02.)

(320 ILCS 25/7) (from Ch. 67 1/2, par. 407)

Sec. 7. Payment and denial of claims.

(a) In general. The Director shall order the payment from appropriations made for that purpose of grants to claimants under this Act in the amounts to which the Department has determined they are entitled, respectively. If a claim is denied, the Director shall cause written notice of that denial and the reasons for that denial to be sent to the claimant.

(b) Payment of claims one dollar and under. Where the amount of the grant computed under Section 4 is less than one dollar, the Department shall pay to the claimant one dollar.

(c) Right to appeal. Any person aggrieved by an action or determination of the Department on Aging arising under any of its powers or duties under this Act may request in writing that the Department on Aging reconsider its action or determination, setting out the facts upon which the request is based. The Department on Aging shall consider the request and either modify or affirm its prior action or determination. The Department on Aging may adopt, by rule, procedures for conducting its review under this Section.

Any person aggrieved by an action or determination of the Department of Healthcare and Family Services arising under any

of its powers or duties under this Act may request in writing that the Department of Healthcare and Family Services reconsider its action or determination, setting out the facts upon which the request is based. The Department of Healthcare and Family Services shall consider the request and either modify or affirm its prior action or determination. The Department of Healthcare and Family Services may adopt, by rule, procedures for conducting its review under this Section.  
~~Any claimant aggrieved by the action of the Department under this Act, whether in the reduction of the amount of the grant claimed or in the denial of the claim, may request in writing that the Department reconsider its prior determination, setting out the facts on which his request is based. The Department shall consider the request and either modify or affirm its prior determination.~~

(d) (Blank). ~~Administrative review. The decision of the Department to affirm its prior determination, or the failure of the Department to act on a request for reconsideration within 60 days, is a final administrative decision which is subject to judicial review under the Administrative Review Law, and all amendments and modifications thereof and the rules adopted thereto. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.~~

(Source: P.A. 82-783.)

Sec. 8. Records. Every claimant of a grant under this Act and every applicant for pharmaceutical assistance under this Act shall keep such records, render such statements, file such forms and comply with such rules and regulations as the Department on Aging may from time to time prescribe. The Department on Aging may by regulations require landlords to furnish to tenants statements as to gross rent or rent constituting property taxes accrued.

(Source: P.A. 77-2059.)

(320 ILCS 25/8a) (from Ch. 67 1/2, par. 408.1)

Sec. 8a. Confidentiality.

(a) Except as otherwise provided in this Act, all information received by the Department of Revenue or its successors, the Department on Aging and the Department of Healthcare and Family Services, from claims filed under this Act, or from any investigation conducted under the provisions of this Act, shall be confidential, except for official purposes within those Departments ~~the Department~~ or pursuant to official procedures for collection of any State tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute imposing a State tax, and any person who divulges any such information in any manner, except for such purposes and pursuant to order of the Director of one of those Departments or in accordance with a proper judicial order, shall be guilty of a Class A misdemeanor.

(b) Nothing contained in this Act shall prevent the Director of Aging from publishing or making available reasonable statistics concerning the operation of the grant programs contained in this Act wherein the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

(c) The Department on Aging shall furnish to the Secretary of State such information as is reasonably necessary for the administration of reduced vehicle registration fees pursuant to Section 3-806.3 of "The Illinois Vehicle Code".

(Source: P.A. 89-399, eff. 8-20-95.)

(320 ILCS 25/9) (from Ch. 67 1/2, par. 409)

Sec. 9. Fraud; error.

(a) Any person who files a fraudulent claim for a grant under this Act, or who for compensation prepares a claim for a grant and knowingly enters false information on an application ~~a claim form~~ for any claimant under this Act, or who fraudulently files multiple applications ~~claim forms~~, or who fraudulently states that a nondisabled person is disabled, or who fraudulently procures ~~a~~ pharmaceutical assistance benefits ~~identification card~~, or who fraudulently uses such assistance ~~card~~ to procure covered prescription drugs, or who, on behalf of an authorized pharmacy, files a fraudulent request ~~claim~~ for payment, is guilty of a Class 4 felony for the first offense and is guilty of a Class 3 felony for each subsequent offense.

(b) The Department on Aging and the Department of Healthcare and Family Services shall immediately suspend the use of the pharmaceutical assistance benefits identification card of any person suspected of fraudulent procurement or fraudulent use of such assistance card, and shall revoke such assistance card upon a conviction. A person convicted of such fraud under subsection (a) shall be permanently barred from all of the programs the program of pharmaceutical assistance established under this Act.

(c) The Department on Aging may recover from a claimant, including an authorized pharmacy, any amount paid to that claimant under this Act on account of an erroneous or fraudulent claim, together with 6% interest per year. Amounts recoverable from a claimant by the Department on Aging under this Act may, but need not, be recovered by offsetting the amount owed against any future grant payable to the person under this Act.

The Department of Healthcare and Family Services may recover from an authorized pharmacy any amount paid to that pharmacy under the pharmaceutical assistance program on account of an erroneous or fraudulent request for payment under that program, together with 6% interest per year. The Department of Healthcare and Family Services may recover from a person who erroneously or fraudulently obtains benefits under the pharmaceutical assistance program the value of the benefits so obtained, together with 6% interest per year.

(d) A prosecution for a violation of this Section may be commenced at any time within 3 years of the commission of that violation.

(Source: P.A. 85-299.)

(320 ILCS 25/12) (from Ch. 67 1/2, par. 412)

Sec. 12. Regulations - Department on Aging.

(a) Regulations. Notwithstanding any other provision to the contrary, the Department on Aging may adopt rules regarding applications, proof of eligibility, required identification information, use of social security numbers, counting of income, and a method of computing "gross rent" in the case of a claimant living in a nursing or sheltered care home, and any other rules necessary for the cost-efficient operation of the program established under Section 4. ~~The Director shall promulgate such regulations as are necessary or desirable to effectuate the purposes of this Act, including but not limited to the method of computing "gross rent" in the case of a claimant living in a nursing or sheltered care home.~~

(b) The Department on Aging shall, to the extent of appropriations made for that purpose:

(1) attempt to secure the cooperation of appropriate federal, State and local agencies in securing the names and addresses of persons to whom this Act pertains;

(2) prepare a mailing list of persons eligible for grants under this Act;

(3) secure the cooperation of the Department of Revenue, the Department of Healthcare and Family Services, other State agencies, and ~~of~~ local business establishments to facilitate distribution of applications ~~application forms~~ under this Act to those eligible to file claims; and

(4) through use of direct mail, newspaper advertisements and radio and television advertisements, and all other appropriate means of communication, conduct an on-going public relations program to increase awareness of eligible citizens of the benefits ~~grants~~ under this Act and the procedures for applying for them.

(Source: P.A. 78-1249.)

(320 ILCS 25/13) (from Ch. 67 1/2, par. 413)

Sec. 13. List of persons who have qualified. The Department ~~on Aging of Revenue~~ shall maintain a list of all persons who have qualified under this Act and shall make the list available to the Department of Healthcare and Family Services, the Department of Public Health, the Secretary of State, municipalities, and public transit authorities upon request.

All information received by a State agency, municipality, or public transit authority under this Section shall be confidential, except for official purposes, and any person who divulges or uses that information in any manner, except in accordance with a proper judicial order, shall be guilty of a Class B misdemeanor.

(Source: P.A. 87-247.)

(320 ILCS 25/3.02 rep.)

(320 ILCS 25/3.03 rep.)

(320 ILCS 25/3.15 rep.)

(320 ILCS 25/3.16 rep.)

(320 ILCS 25/3.17 rep.)

Section 20. The Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act is amended by repealing Sections 3.02, 3.03, 3.15, 3.16, and 3.17.

Section 99. Effective date. This Act takes effect January 1, 2010.